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AMCRDA-TE

Relationship of the Performance Based Business Environment (PBBE) to the current IPPM efforts.

17 March 99

OUTLINE

- RELATIONSHIP OF PBBE TO IPPM
- PBBE OBJECTIVES
- PBBE ESSENTIAL ELEMENTS
- PBBE VOLUMES (1-8)
- BACKUP SLIDES DESCRIBING INDIV VOLUM

RELATIONSHIP OF PBBE TO IPPM

- CHECKLIST FOR IPPM DESCRIBES SPECIFIC PRACTICES.
- SPECIFIC VOLUMES OF PERFORMANCE BASED BUSINESS ENVIRONMENT (PBBE) DESCRIBE INI CONSISTENT WITH ACQUISITION REFORM.
- GOAL: INCORPORATE THOSE RELEVANT PORTIO PPBE GUIDANCE INTO IPPM CHECKLIS

PBBE OBJECTIVES

- ACCESS TO COMMERCIAL STATE-OF-THE ART TECH.

- BROADEN INDUSTRIAL BASE BY INTEGRATING COML/MIL DEVMNT AND MNFG FACILITIES.

- ENCOURAGE RISK BASED MANAGEMENT PRACTICES
  YIELDING HIGHER QUALITY AND AFFORDABLE COST
  -- INCREASED CONTRACTOR CONTROL OVER PRODUCT DESIGN.

- INCREASED CONTRACTOR INVOLVEMENT IN SUSTAINMENT ISSUES;

PBBE ESSENTIAL ELEMENTS

- PERFORMANCE BASED
  PRODUCT AND PROCESS REQUIREMENTS:
  --SPECIFICATIONS.
  --CONTRACTOR CONTROL OF DETAILED DES
  --OPPORTUNITIES FOR ADVANCED
  TECHNOLOGY INCORPORATION.
  --CONTRACTOR CHOSEN STANDARDS BASEI
  COMPANY /INDUSTRY NORMS.

- SUPPLIER EXCELLENCE
  -- CONTRACTOR PAST PERFORMANCE DAT
  -- REWARD EFFICIENCY THROUGH ENTIR
  SUPPLIER BASE: PRIMES--SUBS--VENDO

PBBE ESSENTIAL ELEMENTS (CONT'D)

- SYSTEMS ENGINEERING/MANAGEMENT PRAC
  - -- INTEGRATED PRODUCT-PROCESS DEV.
  - -- PERFORMANCE TRADE-OFF WITH COST/SCHEDULE.
  - -- DISCIPLINED DEVELOPMENT, DESIGN FABRICATION PROCESSES--FOR PRO LIFE CYCLE TRACEABILITY.
  - --CONTROL PRODUCT DESIGN TO ENSURE THAT TECHNOLOGY INSERTION, PRODUCTION, AND SUSTAINMENT MANAGED EFFICIENTLY.

PBBE ESSENTIAL ELEMENTS (CONT'D)

- RISK MANAGEMENT:

  --BALANCE INTERESTS OF CONTRACTOR/GO
  --BUSINESS/CONTRACT RELATIONSHIPS CONSISTENT WITH COMPANY CAPABILITIES TECHNOLOGY, SUSTAINMENT, AND PRODU LIFE CYCLE MANAGEMENT.

- REDUCED GOVERNMENT RESOURCES AND C

  --SIMPLIFIED ACQUISITION/SUSTAINMENT OPERATING METHODS WHEREVER FEASIBLE.
  -- EXPLOIT FLEXIBILITY IN CURRENT ACQUISITION POLICY AND REPORTING STRUCTURE.

PBBE PRODUCTS

Integrated Performance-Based Business Environment Guide					
	Performance-Based Requirements				
Program Risk Mgt	Flexible Sustainment	Product	Process	Contractor Performance	Contract Restructure
•Risk Mgt Pamphlet (AFMCPam 63-101)	•Flexible Sustainment Guide	•Performance-Based Product Definition Guide •Joint Service Spec Guides (set of 8)	•Key Supplier Processes Handbook (MIL-HDBK-500)	•CPARS Instruction and Form •PRAG Desk Guide	•Single Process Initiative/Block Change (Horizontal Chg) •Vertical Contract Chg

nitial PBBE Product Review Results

(Input Shared w/JACG)

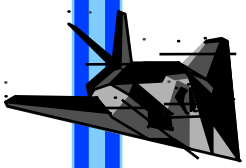
- **Integrated Guide to Include All Sector Acq Reform Initiatives and More "Application" Guidance**
- **Incorporate Sector Unique Sustainment Processes**
- **Joint Service Spec Guides**
  - **Maintenance Needs Clarifying**
  - **Applicability to C4I in Modified COTS Environment**
  - **Other Ways of Communicating Requirements (i.e., Contractor Unique, Modeling)**
- **Sectors Identified Additional Key Supplier Processes**
  - **Reconcile with CPARS and PRAG**
- **Review CPARS and PRAG After DoD IPT Results**

PBBE PRODUCTS (Promulgation under JLC: JACG/JGSE)

Integrated Performance-Based Business Environment Guide

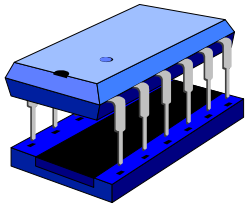
Program Risk Mgt	Performance-Based Requirements: Flexible Sustainment	Performance-Based Requirements: Product	Performance-Based Requirements: Process	Contractor Performance	Contract Restructure
•Risk Mgt Pamphlet (AFMCPam 63-101)	•Flexible Sustainment Guide	•Performance-Based Product Definition Guide •Joint Service Spec Guides (set of 8)	•Key Supplier Processes Handbook (MIL-HDBK-500)	•CPARS Instruction and Form •PRAG Desk Guide	•Single Process Initiative/Block Change (Horizontal Chg) •Vertical Contract Chg

} Deskbook
DAU Courses

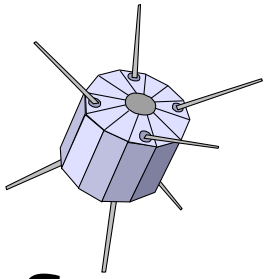


Aviation Business Sector — *JACG*

JGSE →



C4I



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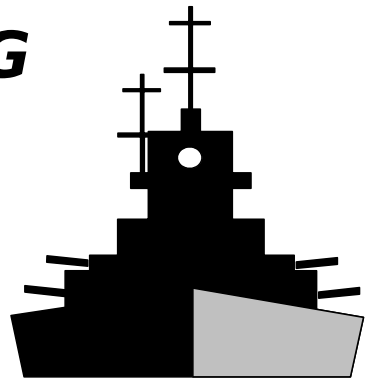

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PBBE PRODUCTS (CONT'D

Integrated Performance-Based Business Environment Guide

Performance-Based Requirements					
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nitial PBBE Product Review Results

- SESG REVIEW AND RECOMMENDATIONS (1/9
  - --INCORPORATE INTO DOD DESKBOOK
    - ---DISCRETE CHAPTERS FUNCTIONAL ARE
  - --EACH SERVICE HAS DISCRETION FOR "PROMULGATION"
    - ---ARMY TO INCORPORATE INTO ACQ REFO WEEK AND ADD TO "ROADSHOW" AGEND

PBBE VOLUMES (1-8)

REFERENCE:
HTTP://WWW.WPAFB.AF.MIL/AZ/JACG/INDEX.HTM

1. INTEGRATED PERFORMANCE-BASED BUSINESS ENVIRONMENT GUIDE.

2. RISK MANAGEMENT PAMPHLET.

3. PERFORMANCE BASED PRODUCT DEFINITION GUIDE.

4. JOINT SERVICE GUIDE SPECIFICATIONS.

5. KEY SUPPLIER PROCESS HANDBOOK.

6. CONTRACTOR PERFORMANCE ASSESSMENT REPORT (CPAR) FORM.

7. PERFORMANCE RISK ASSESSMENT GROUP (PRAG) DESK GUIDE.

BACKUP SLIDES

INTEGRATED PERFORMANCE-BASED BUSINESS ENVIRONMENT GUIDE.

- TOP LEVEL GUIDANCE:
  --MODIFYING ACQ STRATEGY
  --DEVELOPING RFP'S/CONTRACTS
  --CONDUCTING SOURCE SELECTIONS
  --INTEGRATING PERF-BASED PRODUCT /PRO
  REQUIREMENTS
  --USING OTHER PBBE DOCUMENTS AT VARI
  PHASES OF LIFE CYCLE

RISK MANAGEMENT PAMPHLET

- GUIDANCE (LIFE CYCLE) TO ESTABLISH FRAMEWORK FOR PLANNING, ASSESSING, A MONITORING RISKS FOR:

  --SYSTEMS, SUBSYSTEMS, HARDWARE/SW ACQUISITION PROGRAMS
  --PRE/POST AWARD ACTIVITIES.

PERFORMANCE BASED PRODUCT DEFINITION GUIDE

- TOP LEVEL GUIDANCE FOR TECH INFORMA
  TO SUPPORT PERFORMANCE-BASED ACQUI
  AND SUSTAINMENT STRATEGIES.

- GUIDE DESCRIBES:
  --INFORMATION REQUIRED TO ENABLE FLE
  AND COST EFFECTIVE PRODUCT LIFE CY
  MANAGEMENT.
  --RELATIONSHIP OF PRODUCT TECHNICAL
  DEFINITION AND BUSINESS/CONTRACT
  ALTERNATIVES BASED ON WEAPON SY
  SUPPORT CONCEPT, PROGRAM RISK AN
  TECHNOLOGY.

PERFORMANCE BASED PRODUCT DEFINITION GUIDE (CONT'D)

--PRODUCT REQUIREMENTS FLOW-DOWN AND VERIFICATION FLOW UP THROUGH SUPPLIER HIERARCHY.

--MANAGEMENT, CONTROL, AND OWNERSH OF THE PRODUCT TECHNICAL DEFINITIO CONSISTENT WITH INCREASED CONTRA CONTROL AND GOVT. LONG-TERM BUSI STRATEGY.

-- FOUNDATION FOR OPEN SYSTEM/COMPE BASED LIFE-CYCLE PRODUCT ACQUISITI STRATEGIES

JOINT SERVICE GUIDE SPECIFICATIONS (JSGS)

- SET OF GENERIC PERFORMANCE-BASED PRO
  GUIDANCE ON REQUIREMENTS ALLOCATION
  METHOD FOR KEY ELEMENTS WITHIN THE
  AERONAUTICAL SPECIFICATION TREE

- DOCUMENT SET INCLUDES:
- -- WEAPON SYSTEM GUIDE SPECIFICATION
- -- AIR VEHICLE GUIDE SPECIFICATION
- -- STRUCTURES GUIDE SPECIFICATION
- -- ENGINE GUIDE SPECIFICATION
- -- AVIONICS GUIDE SPECIFICATION
- -- VEHICLE MANAGEMENT GUIDE SPECIFICATION
- -- SUBSYSTEMS GUIDE SPECIFICATION
- -- AIR CREW GUIDE SPECIFICATION

KEY SUPPLIER PROCESS HANDBOOK

- HANDBOOK DESCRIBES TOP LEVEL, GENERIC, MANAGEMENT ***PROCESSES*** FOR PROGRAM EXECUTION USED BY AERONAUTICAL BUSINE SECTOR SUPPLIERS TO SUPPORT DEFENSE S ACQUISITION AND SUSTAINMENT.

- PROCESSES INCLUDE:
  --PROGRAM/DATA MANAGEMENT
  --ENGINEERING
  --MANUFACTURING
  --QUALITY
  --PROCUREMENT/SUBCONTRACT MANAGEMENT
  --LOGISTICS.

CONTRACTOR PERFORMANCE ASSESSMENT REPORT(CPAR)

- APPLICABLE TO CONTRACT IN EXCESS OF $5M.

- OBJECTIVE CONTEMPORANEOUS DATA (12 MONTH) ON:
  - -- COST PERFORMANCE REPORTS
  - -- CUSTOMER COMMENTS
  - -- QUALITY REVIEWS
  - -- TECHNICAL PERFORMANCE EVALUATIONS
  - -- ETC.

PERFORMANCE RISK ASSESSMENT GROUP

- ASSESSES PAST PERFORMANCE FOR SOURCE SE
- UTILIZES INFORMATION REALIZED FROM CPAF

CONCLUSIONS

- AMC LEADER IN IPPM POLICY/GUIDANCE
- IPPM WG SERVES AS FORUM FOR MSC CONSENSUS
- GOAL TO CAPITALIZE UPON ACQUISITION REFORM
- MOTIVATION TO UTILIZE BEST CONCEPTS FROM PBBE WITHIN THE IPPM ARENA.
- LOW RESOURCE REQUIREMENTS
- HIGH VALUE ADDED